



The mission of the Arizona Office of Tourism is to strengthen and grow Arizona's economy through travel and tourism promotion.

For information regarding the agency's programs, contact the Public Information Officer at 602.364.3723.

visitarizona.com | tourism.az.gov

Sources: Tourism Economics, Longwoods International, Dean Runyan Associates, Bureau of Economic Analysis and Bureau of Labor Statistics, Strategic Marketing and Research, updated 7/2018. Figures represent 2017 data.



AMAZING IS HAPPENING HERE.

2018 ANNUAL REPORT

LETTER FROM THE DIRECTOR

The results speak for themselves. Arizona's tourism industry has once again produced a record-breaking economic impact that resonated across the Grand Canyon State. With the collective efforts of our industry, we have achieved a new high for visitation – 43.9 million overnight visitors – and direct visitor spending – \$22.7 billion.

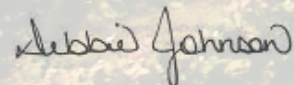
This past fiscal year was just as productive for the Arizona Office of Tourism. As a direct result of our marketing efforts, we generated millions of dollars in incremental travel-related spending, which in turn created jobs across the state and reduced the tax burden for every Arizona citizen. In addition, our advertising efforts have produced the best return on investment that we have seen in several years – \$25 in state and local tax revenue for each \$1 invested.

As you read through our Fiscal Year 2018 Annual Report, you will see more highlights of our successes and how each achievement has helped fulfill our core mission: to strengthen and grow Arizona's economy through travel and tourism promotion.

There is an undeniable connection between destination marketing and Arizona's economic success. And, the Office of Tourism is committed to producing marketing programs that keep this positive economic cycle moving forward.

I am pleased to share the results of the work we conducted on behalf of the State of Arizona and our tourism industry. The entire AOT team looks forward to working with you in the year ahead to achieve even greater results.

Sincerely,



Debbie Johnson, Director
Arizona Office of Tourism

ARIZONA TRAVEL AND TOURISM INDUSTRY – 2017 DATA



43.9
million

Number of domestic and international overnight visitors who experienced Arizona as a travel destination, **up 2.1 percent.**



\$62.2
million

Amount of direct travel spending injected into our state's economy every *single* day, **up 7.1 percent.**



5.56
million

Number of international visitors to Arizona, including Mexico and Canada.



\$6.9
billion

Amount of earnings generated by Arizonans employed by tourism jobs, **up 6.6 percent.**



\$22.7
billion

Amount of direct travel spending generated within Arizona, **up 6.7 percent.**



\$3.37
billion

Amount of local, state and federal tax revenues generated as a result of direct travel spending, **up 9.0 percent.**

\$1,293

Tax revenue generated by the tourism industry lessens the annual tax burden by **\$1,293** for every Arizona household.



187,100

Number of industry-related jobs directly generated by travel spending, **up 1.6 percent.** When combined with indirect employment, direct travel spending affects **347,900** jobs.

#1

Where the travel and tourism industry ranks among Arizona's export-oriented industries.

Source: Dean Runyan Associates, Tourism Economics, Longwoods International

AOT FY18 HIGHLIGHTS

July 2017



Announced record-breaking visitation and spending data at the 2017 Governor's Conference on Tourism.



Hosted nearly **40 Los Angeles-based Chinese tour operators** during in-market sales mission.

August 2017



Matched community contributions with **\$1 million in advertising funds** as part of AOT's Rural Marketing Cooperative Program. More than 30 statewide tourism partners participated.



Announced that the **2017 NCAA Men's Final Four** brought an estimated **60,000 visitors** to Arizona and generated more than **\$324 million** in economic impact.

September 2017



Led a delegation of Arizona tourism partners to Chicago in collaboration with the Chicago Cubs for four days of **consumer, media and travel trade events** at Wrigley Field.

Co-hosted with Visit Tucson a media reception in New York City with **seven top travel editors** affiliated with Travel Classics.



Hosted **nine trade representatives from China** on a familiarization (FAM) tour in partnership with American Airlines and Detours of the West.



Guided a FAM tour for **five Canadian travel agents**.

October 2017



Launched AOT's new **{Un} Real** travel advertising campaign in national and key domestic markets: Chicago, Seattle, San Francisco and Minneapolis. Out-of-home placements included bus wraps, billboards, transit stations and other locations throughout the selected cities.



Released **Season 3 of Arizona Expedition**. *Outside Magazine* reported that its content received more than **10,000 page views** and users spent an average of **11.5 minutes** on site – well above industry standard of two minutes.

October 2017



Collaborated with Brand USA and Lufthansa Airlines to host **12 top travel trade achievers** from Germany, Austria and Switzerland on a MegaFAM. The FAM, led to three participants tattooing an image of a saguaro cactus with "AZ" onto their ankles.



Hosted international journalists from **Canada, China, France, Mexico, Switzerland** and the **UK** on a central Arizona media tour.



Co-hosted a reception for more than **120 media and trade representatives** to support Air Canada's new non-stop flight from Montreal to Phoenix.

November 2017



33 statewide tourism partners participated in AOT's Arizona Media Marketplace in Tucson. The event was held on the opening day of the Travel Classics West conference.

Co-hosted Travel Classics West, which hosted **30 editors and 60 freelance writers** for meetings and seminars.



Hosted **10 tour operators** from Mexico City who participated in the American Airlines Mexico FAM tour.



Attended World Travel Market (WTM) in London, the largest trade show in the UK. AOT took its **largest delegation** to WTM to date, with **10 tourism partners** in the booth. The group conducted one-on-one appointments with **27 travel writers and freelance journalists** and held **37 trade appointments**.



Supported the new **Condor Airlines air service** between Frankfurt and Phoenix by hosting **eight travel writers and three tour operators** from Germany.

AOT FY18 HIGHLIGHTS

December 2017

January 2018



Led a media delegation to Germany and Switzerland with Visit Phoenix, Experience Scottsdale and Visit Tucson to promote Condor Airlines' new nonstop air service to Arizona. The delegation met with **50 journalists in three major cities** – Munich, Hamburg and Zurich – to promote Arizona destinations and easy accessibility.



Hosted **three Chinese golf-focused tour operators** and **four Chinese golf-focused media outlets** to experience the state's excellent golf courses and amenities.



Launched the 2018 *Arizona Official State Visitor's Guide* and *Map*.



Collaborated with the popular Canadian television program "The Marilyn Denis Show" to feature an Arizona vacation package as the grand prize on the show's 10 Days of Giveaways series. On an average week, "The Marilyn Denis Show" reaches **3.1 million viewers**, and its 10 Days of Giveaways series features some of the most-watched episodes of the season.



Launched the new **Visit Arizona App**. The app uses location technology and behavioral-data collection to deliver customized recommendations to travelers who use it. Arizona is the **first state** to apply this technology.



Exhibited Arizona at the **2018 Cubs Convention**. Staff and brand ambassadors talked to attendees about spring training trips and tacking on extra days to explore the rest of the state.

Hosted **six French travel writers** on a group press trip. The writers represented the travel sections of many French online and print publications, each with the potential to reach millions of readers.



Collaborated with National Geographic Travel to "take over" the @natgeotravel Instagram account for two days. The takeover featured the posting of 10 consecutive Arizona photos taken by National Geographic photographers. Those images garnered nearly **2.5 million likes** and **12,000 positive comments**. AOT's Instagram feed gained nearly **9,500 new followers**.



Attended Go West Summit where the Arizona team met with **33 tour operators** and buyers from Europe, Latin America and Asia, in addition to U.S.-based receptive tour operators. **21 Arizona tourism partners** attended the event.

February 2018

Collaborated with *High Life*, the official in-flight magazine of British Airways, to produce a nine-page cover/feature about northern Arizona's slot canyons. Each issue reaches **3.6 million potential readers** with an estimated advertising-equivalency valued in **excess of \$194,000**.



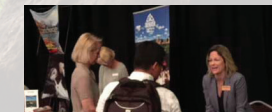
Partnered with REI to promote Arizona at the company's flagship store in downtown Seattle. **Hosted four free expert-led hiking classes** complemented by an in-store activation featuring AOT's virtual-reality experiences, mountain biking in Sedona and skydiving at the Grand Canyon.



Hosted **seven travel writers** from Mexico, China, Britain, France, Germany, Canada and the U.S. on a southern Arizona FAM.



Led a travel trade delegation to Toronto and Montreal to promote Arizona as a leading travel destination. Held trainings at **three travel agencies**, offered a trade show for **200 travel agents**, provided a networking lunch with **20 tour operators** and hosted a Western-style event for all destination partners with **50 trade and media** in attendance.



Joined Visit USA Committee and Brand USA on a five-day media and trade road show in Australia with our tourism partners from Northern Arizona. AOT shared Arizona information with nearly **900 travel professionals** and **100 media**.

Collaborated with Cactus League to host **nine in-stadium activations** during spring training providing the chance to engage with visitors face-to-face and distribute information about things to do around the state.

March 2018



Led the Arizona delegation to ITB Berlin and conducted more than **80 appointments** with travel media, travel agencies and tourism companies – most of them based in Germany, Arizona's largest source of overseas visitors.

Earned **five trophies** at The American Advertising Awards ceremony. AOT's {UN} Real and Arizona Expedition consumer travel advertising campaigns won for branded content, imagery and copywriting.



Led an Arizona delegation to China and hosted more than **190 trade and media attendees** during events and appointments in Shanghai, Beijing and Chengdu.



Participated in Destination Capitol Hill, along with **10 tourism-industry partners** from Arizona.



Launched the Arizona social media channel on WeChat, one of the most popular messaging apps in China. The platform currently has **963 million monthly active users**.

AOT FY18 HIGHLIGHTS

April 2018



Led a delegation of statewide partners to Mexico City and Guadalajara. Met with **74 trade representatives** and **26 media representatives** in Mexico City, along with **69 trade representatives** and **eight media representatives** in Guadalajara.

May 2018

Promoted **National Travel and Tourism Week**. AOT celebrated in several different ways including with media segments, community events and even a sweepstakes.



Hosted **five journalists** and **one photographer** from Mexico City on a culinary-focused tour of Arizona.



Participated in the Brand USA and UK MegaFAM. Hosted **17 travel agents** from Britain.



Launched **ExpeditionFoodieAZ.com**, a collaboration with the Arizona Restaurant Association. The site offers ideas on how to experience and learn about Arizona's culinary destinations and attractions.

June 2018



Led a large delegation of statewide tourism partners to IPW, the travel industry's premier international marketplace and the largest generator of travel to the U.S. AOT conducted **144 trade appointments** and **20 media appointments**.



Attended the **Arizona-Mexico Commission's 2018 Summit** where Arizona Governor Doug Ducey and Sonora Governor Claudia Pavlovich signed a Memorandum of Understanding focused on promoting the Arizona-Sonora region as a travel destination.



Led a trade and media delegation of statewide partners to Glasgow and London to promote travel to Arizona. The delegation met with **59 trade representatives** and **33 media representatives**.



Collaborated with Panasonic to host **six Chinese journalists**. To document the trip, each journalist was provided with a LUMIX G9 camera.

AOT FY18 RESULTS

ADVERTISING

5 Domestic & International High-Impact Campaigns

\$21.6 million

generated in hotel revenue from trackable bookings connected to AOT advertising.

AOT advertising directly influenced more than **564,000 trips** and generated

\$986 million in travel revenue.

Visitors exposed to AOT digital advertising booked hotel rooms at an average daily rate of

\$172.

A rate **36 percent higher** than the state's ADR of \$128.70.
Please note: Digital represents approximately 43% of AOT's domestic campaign.

Total campaign Return On Investment (ROI):

\$25.83 in state and local tax revenue for each \$1 invested.

AOT's FY18 campaign produced the highest ROI in recent years.

SOCIAL MEDIA



Facebook
(including five international pages)

423,538
followers

(5.9% annual increase)



Twitter

48,200
followers

(12.3% annual increase)



Instagram

107,000
followers

(46.7% annual increase)

AOT FY18 RESULTS

FULFILLMENT

The Arizona Official State Visitor’s Guide (OSVG) and Map

Print Version

530,301

OSVGs distributed

475,401

maps distributed

Digital and iPad App Version

16,750

downloaded

Monthly Consumer eNewsletter

333,000+

subscribers

Visit Arizona App

7,700

downloads, 68 percent retention rate

Customer Service

8,720

call center and chat inquiries

MEDIA RELATIONS

Primary international countries include Canada, China, France, Germany, Mexico and the United Kingdom.

155

journalists hosted

1,354

articles generated

1 billion

article impressions

8 million

global readers reached

BA *High Life* Magazine

AVE = \$194,000



TRAVEL TRADE INDUSTRY

Primary international countries include Canada, China, France, Germany, Mexico and the United Kingdom.

Familiarization Tours

11 FAM tours

1 Canada; 3 China; 4 Germany; 2 Mexico; 1 UK

81 participants

17 Arizona communities visited

Brand USA MegaFAM Partnerships

3

Trade and Sales Appointments and Destination Training

4,533

COMMUNITY OUTREACH

Presentations and Webinars



Delivered **53** presentations and held **25** Regional Research Webinars to promote tourism’s economic impact to regions of the state.

Local PR Coverage



Coverage included 254 newspaper articles and circulated to reach 141,471,027 readers.

Total Value: \$603,455

CONNECT WITH US

For information regarding AOT’s programs, research, media plans and the Arizona Tourism Industry, please visit:

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